

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 4th day of
December, 2007.

In the Matter of Southern Missouri Gas Company,)
LP's Purchased Gas Adjustment (PGA) Factors to be)
Reviewed in its 2005-2006 Actual Cost Adjustment.) **Case No. GR-2006-0352**

ORDER APPROVING STIPULATION AND AGREEMENT

Issue Date: December 4, 2007

Effective Date: December 14, 2007

Syllabus: This order approves the stipulation and agreement submitted by Southern Missouri Gas Company, LP, d/b/a Southern Missouri Natural Gas (SMNG) and the Staff of the Missouri Public Service Commission.

This case was established to track SMNG's Purchased Gas Adjustment (PGA) factors to be reviewed in its 2005-2006 Actual Cost Adjustment (ACA) filing. Staff completed its review of SMNG's 2005-2006 ACA filing and filed its recommendation concerning that ACA filing on June 19, 2007. On July 19, 2007, SMGC filed its response to Staff's recommendation. In its response, SMGC objected to certain disallowances proposed by Staff.

On November 26, 2007, SMNG and Staff filed a stipulation and agreement to resolve all pending issues in this case. A copy of the stipulation and agreement is attached to this order as Attachment 1.

The Office of the Public Counsel, although a party in this case, did not sign the stipulation and agreement. However, Commission Rule 4 CSR 240-2.115(2) provides that

if no party objects to a nonunanimous stipulation and agreement within seven days of its filing, the Commission may treat that stipulation and agreement as unanimous. No party has filed a timely objection to the stipulation and agreement and the Commission will treat it as unanimous.

On November 29, the Commission held an on-the-record presentation regarding the proposed stipulation and agreement. At that proceeding, the Commission questioned the signatory parties, as well as Public Counsel. At that presentation, the non-signatory party, Public Counsel, advised the Commission that it would not object to the Stipulation and Agreement.

To resolve the remaining issues in this proceeding the parties agree that the ACA account balance related to this case should be reduced by \$75,000, upon the effective date of the Commission's order approving this adjustment. The parties further agreed that, beginning with the Company's next PGA/ACA filing in 2008, the Company shall return this adjustment as part of the regular ACA procedure.

The Commission has the legal authority to accept a stipulation and agreement as offered by the parties as a resolution of issues raised in this case.¹ Furthermore, Section 536.090, RSMo Supp. 2005, provides that when accepting a stipulation and agreement, the Commission does not need to make either findings of fact or conclusions of law. The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence.² Since no one has

¹Section 536.060, RSMo Supp. 2005.

² State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989).

requested a hearing in this case, the Commission may grant the relief requested based on the stipulation and agreement.

Based on the agreement of the parties and the testimony received at the on-the-record presentation, the Commission believes that the parties have reached a just and reasonable settlement in this case.

IT IS ORDERED THAT:

1. The Stipulation and Agreement filed on November 26, 2007, is approved as a resolution of all issues in this case (See Attachment 1).
2. All signatory parties are ordered to comply with the terms of the Stipulation and Agreement.
3. This order shall become effective on December 14, 2007.
4. This case shall be closed on December 15, 2007.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Clayton,
Appling, and Jarrett, CC., Concur.

Voss, Regulatory Law Judge